

**CALIFORNIA DEPARTMENT OF MENTAL HEALTH (DMH)
REQUEST FOR PROPOSAL (RFP) 04-74270-000**

**Consultation and Technical Assistance:
Medi-Cal and Other Public Mental Health Program Issues**

TABLE OF CONTENTS

<u>SECTION</u>	<u>PAGE</u>
I. Introduction	2
A. Purpose	2
B. Background	3
II. Minimum Qualifications and Requirements	6
III. Proposal Requirements and Information	8
A. Contract Term	8
B. Time Schedule	8
C. Proposer Questions	9
D. <u>Mandatory</u> Letter of Intent	10
E. Proposal Content Requirements	11
F. Use of Subcontractors/Independent Consultants	12
G. Cost Proposal	13
H. Evaluation Process and Evaluation Criteria	13
I. Submission of Proposals	18
J. Award and Protest	19
K. Disposition of Proposals	20
L. Agreement Execution and Performance	20
IV. Preference Programs	21
<u>EXHIBITS</u>	
A. Scope of Work	22
<u>OTHER REQUIREMENTS/INFORMATION</u>	
Required Attachments Checklist	27

SECTION I. INTRODUCTION

A. Purpose of RFP 04-74270-000

The purpose of this RFP is to obtain consultation and technical assistance for DMH in its administration of the following:

- The California Specialty Mental Health Services Medi-Cal Program
- Other public mental health programs/policy issues that have significant impact on DMH, and all stakeholders.

The services provided by the proposer will assist DMH in the following:

1. Establishing and refining policies for the on-going implementation of federal and state regulations and other program-related changes to the Specialty Mental Health Services Medi-Cal Program.
2. On-going refinement of the state and local Medi-Cal quality improvement system including Performance Improvement Projects, Performance Measurement and External Quality Review Organization consultation.
3. Developing policies and procedures in response to litigation, legislation and the Medi-Cal Redesign policy initiative.
4. Developing strategies for public mental health system reform including programs and policies related to the California Performance Review (CPR) and the Mental Health Initiative (Ballot Proposition 63 – November 2004).
5. Developing a report to the California Legislature on core reasons that mental health parity in California is not being achieved, barriers to achieving that parity and suggested approaches to effectuate a more comprehensive mental health system in California, both public and private.

B. Background

Specialty Mental Health Services Medi-Cal Program

In 1957, California passed legislation creating the Short-Doyle Program, which required counties to ensure delivery of mental health services to a target population through a system of county-operated and contract providers.

In 1965, Congress passed two major amendments to the Social Security Act that expanded the scope of health benefits to persons eligible for federal grants. These were Title XVIII, the Medicare legislation for persons 65 years of age and over, and Title XIX, the Medicaid legislation that provided federal matching funds to states that implemented a comprehensive health care system for the poor under the administration of a single state agency.

In 1966, legislation was passed establishing the California Medical Assistance Program (Medi-Cal), based on the provisions of Title XIX, for medical services to eligible federal cash grant welfare recipients. The specialty mental health services reimbursed by this program included psychiatric inpatient hospital services, nursing facility care, and professional services provided by psychiatrists and psychologists.

In 1971, legislation in California added Short-Doyle community mental health services into the scope of benefits of the Medi-Cal program for the first time. This change enabled counties to obtain federal matching funds for their costs of providing Short-Doyle community mental health services to persons eligible for Medi-Cal. At this point the Medi-Cal program was split into two mental health delivery systems. The original program continued as the Fee-for-Service/Medi-Cal (FFS/MC) system. Counties became the providers of a new benefit, Short-Doyle/Medi-Cal (SD/MC) services. SD/MC services included many of the services provided by the Short-Doyle program, but not all. Overall the SD/MC program provided a much broader range of mental health services, using a wider group of service delivery personnel, than were offered under FFS/MC.

A Medicaid State Plan Amendment implemented in October 1989 added targeted case management to the scope of benefits offered under the SD/MC system. Another State Plan Amendment, implemented in July 1993, added services available under the Rehabilitation Option to the SD/MC scope of benefits and broadened the range of personnel who could provide services and the locations at which services could be delivered.

Based on approval of a Social Security Act, Section 1915(b) waiver effective March 17, 1995, California consolidated FFS/MC and SD/MC psychiatric inpatient hospital services at the county level. County mental health departments became responsible for authorizing and paying for both FFS/MC and SD/MC psychiatric inpatient hospital services. A separate Section 1915(b) waiver was also approved for the Medi-Cal Mental Health Care Field Test (San Mateo County) in 1995.

In 1997, California requested a renewal, modification and renaming of the original 1995 Medi-Cal Psychiatric Inpatient Hospital Service Consolidation waiver program to include both inpatient hospital and professional specialty mental health services under the responsibility of a single Mental Health Plan (MHP) in each county. The renewed waiver, called Medi-Cal Specialty Mental Health Services Consolidation,¹ was approved by the Centers for Medicare and Medicaid Services (CMS) (then called the Health Care Financing Administration) on September 5, 1997.

Implementation of the modified waiver, referred to as “Phase II Implementation,” occurred at various times in each California County between November 1, 1997, and July 1, 1998, depending on the readiness of the MHP in each county. At that time, both inpatient hospital and professional Medi-Cal specialty mental health services previously reimbursed through FFS/MC and SD/MC claiming systems became the responsibility of a single entity, the MHP, in each county.

The State requested and CMS approved renewal of waivers for the two programs on a two-year cycle. The programs are currently approved to continue operating through 2005.

The California Department of Health Services (DHS) is the single state agency for Medicaid with the overall responsibility for administering the Medi-Cal Program. The Medi-Cal Specialty Mental Health Services Consolidation and Medi-Cal Mental Health Care Field Test (San Mateo County) waiver programs are operated by DMH, through an interagency agreement with DHS. DMH then contracts with an MHP in each county that will directly provide or subcontract for the provision of specialty mental health services. DMH is responsible for monitoring and oversight activities to ensure that the services provided comply with all federal and state requirements.

The respective duties of DHS and DMH are covered in interagency agreements. DHS retains ultimate responsibility for the waiver program by establishing basic program policies, overseeing DMH in its performance under the interagency agreement, and reviewing MHPs directly as appropriate.

In 1999, as part of the waiver programs, DMH established the State Quality Improvement Council (State QIC). The Council identifies critical elements of system performance across various domains and measures these performance indicators on an annual basis. Approved claims are the data source for these calculations since MHPs are not capitated.

¹ Specialty mental health services are defined in state regulation as Rehabilitative Services (including mental health services, medication support, day treatment intensive, day rehabilitation, crisis intervention, crisis stabilization, adult residential services, and psychiatric health facility services); Psychiatric Inpatient Hospital Services; Targeted Case Management; Psychiatrist Services; Psychologist Services, EPSDT Supplemental Specialty Mental Health Services; and Psychiatric Nursing Facility Services.

In June 2002 and January 2003, CMS published final rules in the *Federal Register* pertaining to Medicaid managed care. Regulatory requirements include, but are not limited to: practice guidelines, external quality review, changes in beneficiary protections, advance directives and other provisions that impact MHPs and other stakeholders.

Other Mental Health Program and Policy Areas

DMH and the California public mental health system are experiencing unprecedented potential changes in overall system funding and structure. These potential sources of change include:

- The California Performance Review
- Medi-Cal Re-design
- Proposition 63, the Mental Health Initiative on the November 2004 ballot
- On-going state budget deficits

Although the impact of these changes cannot be predicted with confidence at this time, DMH will be required to respond rapidly with appropriate program and policy changes as necessary.

SECTION II.

MINIMUM QUALIFICATIONS AND REQUIREMENTS FOR PROPOSERS

Each proposer shall meet the following minimum qualifications and requirements.***
If the proposer does not meet these minimum qualifications and requirements the proposal will be rejected without further review.

A. Minimum Qualifications

1. The proposer shall be a licensed mental health professional who meets head of service requirements as specified in the California Code of Regulations, Title 9, Sections 622 through 627, with extensive experience in the assessment and treatment of persons with severe and persistent mental illness or serious emotional disturbance. Proof of licensure must be submitted with the proposal.
2. The proposer shall have knowledge of California's Medi-Cal mental health program and the public mental health system. This must include experience in management and/or administration.
3. The proposer shall have knowledge of developing culturally competent mental health programs and services.
4. The proposer shall have ability to work with persons with severe and persistent mental illness or serious emotional disturbance and their families or caregivers.
5. The proposer shall have knowledge of the Recovery Model for adults with serious mental illness and resiliency/child development approaches for children and youth with serious emotional disturbance.

B. Minimum Requirements

1. The proposer shall be available a minimum of 500 hours per contract year (subject to the availability of funds).
2. The proposer shall be available for periodic meetings in Sacramento or other locations in California.
3. An organization that responds to this RFP must identify not more than **TWO** individuals that will perform all duties of the contract during its term. Any individuals identified by an organization, as the persons who will perform all contract duties must each meet this RFP's administrative requirements and qualifications themselves. An organization's cumulative experience will not

be accepted in lieu of an individual's experience. If the proposer is an individual, this paragraph is not applicable.

4. The proposer shall not be an employee, consultant, subcontractor or owner/operator of any organization that would result in a conflict of interest nor financially benefit from association with such an organization that would result in a conflict of interest.
5. The proposer shall provide a comprehensive resume of prior mental health experience including a description of responsibilities and length of service at each job. Three references with names, addresses and phone numbers are required for the most recent three years of experience. (See Required Attachment 5, page 32 of this RFP.)

***** IMPORTANT NOTE**

If the proposer will be meeting any of the Minimum Qualifications and Requirements through the use of subcontractor(s) and/or independent consultant(s), the proposer shall identify the subcontractor(s) and independent consultant(s) by name in the proposal. In addition, proposer must submit for each identified subcontractor/consultant a Letter of Agreement to work on this project. The Letter of Agreement shall be signed by an official representative of each subcontracted firm or independent consultant, indicating his or her acknowledgement of being named as a subcontractor or consultant, their availability to work on this project and acknowledgement that they have read or been made aware of the required Minimum Qualifications and Requirements of this RFP, proposed contract terms, conditions and exhibits. Proposer shall include Resumes and References (as in B. 5 above) for each subcontractor or independent consultant to be utilized.

SECTION III. PROPOSAL REQUIREMENTS AND INFORMATION

A. Contract Term

The term of the contract is October 8, 2004 to June 30, 2007. The term of the contract may change if DMH makes an award earlier than expected or if DMH cannot execute the contract in a timely manner due to unforeseen delays.

The resulting contract shall be of no force or effect until it is signed by both parties and approved by the California Department of General Services (DGS). The proposers are advised not to commence performance until all approvals have been obtained.

B. Time Schedule

All proposers shall adhere to the specified timeframes below:

Time Schedule*

Event	Date	Time (If Applicable)
RFP Released	August 31, 2004	
Proposal Questions Due	September 6, 2004	4:00 p.m.
DMH Answers to Questions Available	September 10, 2004	
<u>Mandatory</u> Letter of Intent Due	September 12, 2004	4:00 p.m.
Proposal Due Date	September 17, 2004	4:00 p.m.
Notice of Intent to Award Posted	September 27, 2004	
Protest Deadline	October 4, 2004	
<u>Tentative</u> Contract Award Date	October 8, 2004	

*Note: This schedule is contingent upon a number of factors including the availability of funds. Should any significant date be modified, proposers who have submitted a Mandatory Letter of Intent will be automatically notified by DMH.

C. Proposer Questions

Proposers should notify DMH immediately if they need clarification about the services being sought or have questions about the RFP instructions or requirements. Inquiries shall be put in writing and transmitted to DMH. At its discretion, DMH reserves the right to contact an inquirer to seek clarification of any inquiry received. Proposers that fail to report a known or suspected problem with the RFP or fail to seek clarification and/or correction of the RFP submit a proposal at their own risk.

Inquiries shall include the following:

1. Name of the organization submitting the question.
2. The name of a contact person along with a mailing address, telephone number and e-mail address.
3. A description of the subject or issue in question or discrepancy found.
4. RFP section, page number or other information useful in identifying the specific problem or issue in question.
5. The remedy sought, if applicable.

Proposers shall submit written inquiries about this RFP to DMH no later than 4 p.m., September 6, 2004.

Questions shall be submitted through U.S. mail, hand-delivered or by facsimile to:

Marilynn Bonin - Systems of Care
Department of Mental Health
Bateson Building
1600 9th Street, Room 130
Sacramento, CA 95814
Phone: (916) 654-3662
Fax: (916) 653-0200

Proposers transmitting a question by fax are responsible for confirming the receipt of the faxed questions by the stated deadline. Call the DMH Systems of Care Division at (916) 654-3551 to confirm faxed transmissions.

Proposer Caution - DMH internal processing of U.S. mail may add up to 24 hours to the delivery time. If questions are mailed, the proposer should consider using certified, registered or express mail. Request a return receipt confirming delivery date and time of delivery. If questions are hand-delivered, allow sufficient time to locate parking and allow for sign-in at the building security desk.

Spontaneous verbal remarks provided in response to verbal inquiries are unofficial and are not binding on DMH unless later confirmed in writing. No inference shall be drawn from any question DMH does not respond to in writing.

D. Mandatory Letter of Intent

All prospective proposers who intend to compete for RFP 04-74270-000 shall submit a signed, non-binding, Letter of Intent to DMH. Prospective proposers are not required to submit a proposal merely because a Letter of Intent is submitted.

The Mandatory Letter of Intent shall be received by DMH no later than 4:00 p.m., September 12, 2004. The Letter of Intent shall include the name and physical address of the individual, agency or company intending to submit a proposal plus the phone number and e-mail address of the proposer's designated contact person.

Although no specific format for the Letter of Intent is required, proposer shall clearly indicate the document submitted is intended to serve as a Letter of Intent.

Letters of Intent not received by DMH by 4:00 pm, September 12, 2004 shall result in ineligibility to compete in the RFP process.

The Letter of Intent shall be submitted through U.S. mail, hand-delivered or by facsimile to:

Marilynn Bonin - Systems of Care
Department of Mental Health
Bateson Building
1600 9th Street, Room 130
Sacramento, CA 95814
Phone: (916) 654-3662
Fax: (916) 653-0200

Proposers transmitting a question by fax are responsible for confirming the receipt of the faxed questions by the stated deadline. Call the DMH Systems of Care Division at (916) 654-3551 to confirm faxed transmissions.

Proposer Caution - DMH internal processing of U.S. mail may add up to 24 hours to the delivery time. If questions are mailed, the proposer should consider using certified, registered or express mail. Request a return receipt confirming delivery date and time of delivery. If questions are hand-delivered, allow sufficient time to locate parking and allow for sign-in at the building security desk.

E. Proposal Content Requirements

Format

The proposal shall be in ink or typewritten on white bond paper using 12-point font to the extent possible. Margins shall be at least one-half inch on all four sides. Paper size shall be standard letter, 8 ½ by 11 inches, and pages should be single-side copied. Bind each proposal set in a way that enables easy page removal. Loose leaf or three-ring binders are acceptable.

No erasures are permitted. Errors may be crossed out and corrections printed in ink or typewritten adjacent to the error. The person signing the proposal shall initial the corrections in ink.

Content

Proposals shall provide straightforward and concise descriptions of the proposer's plan to satisfy the requirements of this RFP. The proposal shall be complete and accurate. Omissions, inaccuracies or misstatements may be sufficient cause for rejection of a proposal. DMH will determine the responsiveness of a proposal by its quality, not its volume, packaging or colored displays.

The following specifies the organization and content of each proposal:

1. Cover Page – See Required Attachment 3, page 30

A person authorized to bind the proposer must sign the cover page in ink.

2. Table of Contents

3. Minimum Qualifications and Requirements

This section shall provide adequate detail and documentation for DMH to determine if the proposer meets the minimum qualifications and requirements on pages 6 and 7 of this RFP. This must include the following:

- a) Proof of licensure
- b) Description(s) of experience(s) that demonstrate the proposer has knowledge as required in A. Items 2-5 on Page 6 of this RFP
- c) Resume and references - Use Required Attachment 5, page 32, for references (including Subcontractor/Independent Consultant if applicable).
- d) Letters of Agreement with Subcontract/Independent Consultant (if applicable)

4. **Technical Proposal to Complete Scope of Work**** (See Exhibit A, Scope of Work, starting on page 22 of this RFP for further detail on required content of this section.)
- a) Program Service Requirements
 - b) Proposer Experience and Capability
 - c) Letters of Recommendation
5. **For Additional Required Attachments** – refer to the Required Attachment Checklist, page 27 of this RFP.

**** IMPORTANT NOTE**

If the proposer will be meeting any of the Technical Proposal Requirements through the use of subcontractor(s) and/or independent consultant(s), the proposer shall identify the subcontractor(s) and independent consultant(s) by name in the proposal. In addition, proposer must submit for each identified subcontractor/consultant a Letter of Agreement to work on this project. The Letter of Agreement shall be signed by an official representative of each subcontracted firm or independent consultant, indicating his or her acknowledgement of being named as a subcontractor or consultant, their availability to work on this project and acknowledgement that they have read or been made aware of the required Minimum Qualifications and Requirements of this RFP, proposed contract terms, conditions and exhibits. Proposer shall include Resumes and References and statements of Conflict of Interest for each subcontractor or independent consultant to be utilized in completing tasks in the Technical Proposal.

F. Use of Subcontractors/Independent Consultants

If the proposer plans to utilize the services of a subcontractor or independent consultant other than those previously identified in this RFP, DMH reserves the right to approve or disapprove the selection of subcontractors/independent consultants with advance written notice, require the substitution of subcontractors/independent consultants and require the proposer to terminate subcontract entered into in support of this RFP.

The proposer is responsible for all performance requirements under this RFP even though performance may be carried out through a subcontract.

G. Cost Proposal

Proposer shall prepare cost displays for each of the three contract years using the format provided in RFP Attachment 6, Cost Proposal, page 33 of this RFP. -

Proposers are encouraged to providing supporting cost detail and narrative to assist evaluators to understand and assess the figures shown in the Cost Proposal.

DMH anticipates that a maximum of sixty thousand dollars (\$60,000) is likely to be available for funding each of the three years of this contract.

PLEASE NOTE: DMH will pay, using state travel rates, reasonable travel expenses that proposer incurs to attend meetings in Sacramento and other California locations as part of the work to be accomplished under this RFP. DMH will not pay for the proposer's time while s/he is traveling.

H. Evaluation Process and Evaluation Criteria

Process

Proposals shall provide straightforward and concise descriptions of the proposer's ability to satisfy the requirements of this RFP. The proposal content and cost detail shall be complete and accurate.

A proposal may be rejected if it is conditional or incomplete, or if it contains any alterations of form or other irregularities of any kind. DMH may reject any or all proposals and may waive any immaterial deviation in a proposal. DMH's waiver of immaterial deviation shall in no way modify the RFP document or excuse the proposer from full compliance with all requirements if awarded the agreement. Proposals that contain false or misleading statements, or which provide references, which do not support an attribute or condition claimed by the proposer, may be rejected.

A multiple stage evaluation process will be used to review and/or score proposals. DMH will reject any proposal that is found to be non-responsive at any stage of evaluation.

Stage 1-Minimum Qualifications and Requirements and Required Attachment Checklist Review

- 1) Shortly after the proposal submission deadline, DMH will review each proposal for timeliness and completeness to the RFP specifications. This is a pass/fail evaluation.
- 2) In this review stage, DMH shall compare the contents of each proposal to any claims made by the proposer on the Required Attachment Checklist to determine if the proposal is accurate and complete.
- 3) In addition to the Required Attachment Checklist Review, DMH shall evaluate the proposals to determine if the proposer meets the Minimum Qualifications and Requirements as referenced on pages 6 and 7 of this RFP.

Stage 2- Technical Proposal Scoring

- 1) Proposals that appear to meet the basic requirements as evidenced by passing the Stage 1 review will be submitted to an Evaluation Panel for further consideration.
- 2) The Evaluation Panel will individually and/or as a team review, evaluate and numerically score the Technical Proposal based on the proposal's adequacy, thoroughness, and the degree to which it complies with the RFP requirements.
- 3) In assigning points for individual evaluation components, evaluators may consider issues including, but not limited to, the extent to which a proposal response:
 - i. Is lacking information, lacking depth or breadth, or lacking significant facts and/or details, and/or;
 - ii. Is fully developed, comprehensive and has few, if any, weaknesses, defects or deficiencies, and;
 - iii. Demonstrates that the proposer understands DMH's needs, the services sought, and/or the contractor's responsibilities, and;
 - iv. Illustrates the proposer's capability to perform all services and meet all scope of work requirements, and;
 - v. Contributes to the achievement of DMH's goals and objectives if implemented, and;
 - vi. Demonstrates the proposer's capacity, capability and/or commitment to exceed regular service needs (i.e., enhanced features, approaches, or methods, creative or innovative business solutions, etc.).

- 4) Below are the point values for each Technical Proposal component that will be scored. A maximum of **70** possible points may be achieved in this stage and a minimum of **35** points must be achieved to be considered a responsive proposal. In addition, to be considered a responsive proposal, minimum points must be achieved for each Technical Proposal component as also reflected in the chart below.

Technical Proposal Scoring

Technical Proposal Evaluation	Maximum Point Value	Minimum Point Value (must be achieved to pass Stage 2)
Program Service Requirements	25	12.5
Proposer Experience and Capability	20	10
Letters of Recommendation	5	2.5
Understanding of California Public Mental Health and MHPs	10	5
Cost Effectiveness	10	5
TOTAL Technical Proposal	70	35

The Evaluation Panel will use the following criteria to score the RFP:

Program Service Requirements

<i>Program Service Requirements</i>	Points Possible	Points Earned
Upon the review of the Program Service Requirements narrative, to what extent has the proposer provided clear descriptions of how the proposer would accomplish the required tasks; and clear discussions of barriers to overcome and/or opportunities to maximize in accomplishing the required tasks?	25	

Proposer Experience and Capability

Proposer Experience and Capability	Points Possible	Points Earned
From the experience described in the Proposer Experience and Capability section, to what extent has the proposer described applicable work experience?	20	

Letters of Recommendation

Letters of Recommendation	Points Possible	Points earned
To what extent are the Letters of Recommendation: <ul style="list-style-type: none">• Favorable to the proposer;• Originate from persons other than those cited as references in Required Attachment 5 who can speak to the quality of the proposer's work in the last five years;• Present in the required number (3)?	5	

Understanding of California Public Mental Health and MHPs

Understanding California Public Mental Health and MHPs	Points Possible	Points Earned
Using the proposal content provided in the Program Service Requirements and Proposer Experience and Capability sections of the RFP, to what extent has the proposer shown his/her ability to work effectively and knowledgeably in the California public mental health system and with MHPs? (Maximum of 5 possible points each for the two sections.)	10	

Cost Effectiveness

Cost Effectiveness*	Points Possible	Points Earned
Based on all of the information provided in the Technical Proposal, to what extent does the cost proposal appear to be cost-effective? *Cost effectiveness is defined as producing good results for the amount of money spent.	10	

Stage 3- Evaluation of Cost Proposal

- 1) After the Technical Proposal scoring is complete, responsive proposals will be evaluated on the basis of cost. A maximum of 30 points may be awarded for the Cost Proposal.
- 2) The proposal offering the lowest total cost earns the maximum of 30 points. The remaining proposals earn cost proposal points through a cost conversion formula shown below. Final calculations shall result in numbers rounded to two decimal places.

$$\text{Lowest Cost Proposal} \div \text{Another Cost Proposal} \times 30 = \text{Cost Points Earned}$$

- 3) Example for Illustration Purposes:

Lowest cost earns 30 points.

$$\begin{aligned} &\$100,000 \text{ (lowest cost proposal)} \div \$125,000 \text{ (another cost proposal)} = .80 \\ &.80 \times 30 \text{ points} = 24 \text{ points (total cost proposal points of another proposer)} \end{aligned}$$

Stage 4- Combining Technical Proposal and Cost Proposal Scores

DMH will combine the Technical Proposal points to the Cost Proposal points earned and will tentatively identify the entity with the highest combined proposal score from each of the earlier evaluation stages.

Stage 5- Adjustments to Score Calculations for Bidding Preferences

- 1) DMH will determine and confirm which entities, if any, are eligible to receive a bidding preference (i.e., small business).
- 2) To confirm the identity of the highest scored responsible proposer, DMH will calculate the preference points for applicable claimed preference(s) and will readjust the total score of those proposers eligible for bidding preferences. DMH will apply preference adjustments to eligible proposers according to State regulations following verification of eligibility with the appropriate office of the Department of General Services. More information about the allowable bidding preferences appears in RFP section IV, "Preference Programs."

An award, if made, will be made to the highest scoring proposal.

I. Submission of Proposals

All proposals must be submitted by 4:00 p.m., September 17, 2004. Proposals and modifications, or corrections thereof, received by DMH after 4:00 p.m., September 17, 2004 shall NOT be considered.

Costs incurred for developing proposals and in anticipation of award of the agreement are entirely the responsibility of the proposer and shall not be charged to the State of California. The proposal package should be prepared in the least expensive method.

DMH may modify the RFP prior to the date fixed for submission of proposals by the issuance of an addendum to all parties who submitted a Letter of Intent.

The State does not accept alternate contract language from a prospective contractor. A proposal with such language shall be considered a counter proposal and shall be rejected. The State's General Terms and Conditions (GTC) are not negotiable.

No oral understanding or agreement shall be binding on either party.

A proposer may modify a proposal after its submission by withdrawing his/her original proposal and resubmitting a new proposal prior to the proposal submission deadline as set forth in the Time Schedule, page 8. Proposal modifications offered in any other manner will not be considered.

A proposer may withdraw his/her proposal by submitting a written withdrawal request to DMH, signed by the proposer or an authorized agent. A proposer may thereafter submit a new proposal prior to the proposal submission deadline.

An individual who is authorized to bind the proposer contractually shall sign Required Attachment 2, page 28, Proposal/Proposer Certification Sheet. The signature must indicate the title or position that the individual holds with the proposer. An unsigned proposal may be rejected.

Assemble an original proposal package and four (4) copies of the proposal and attachments together and place in an envelope or box. Place the original proposal package (marked "original") on top, followed by the four extra copies. All documents contained in the original proposal package shall have original signatures of a person who is authorized to bind the proposer. All additional proposal packages may be photocopies of the original package.

The envelope or box shall be clearly marked with the following:

**Department of Mental Health
RFP 04-74270-000
Proposer's Name
DO NOT OPEN**

Seal the envelope or box. If more than one envelope or box is used, carefully label each as instructed above and mark on the outside of each envelope or box "1 of X", "2 of X", etc.

The proposer shall arrange for mail or hand delivery of the proposal to the following:

**Proposal RFP 04-74270-000
Department of Mental Health
Contracts Unit
Bateson Building
1600 Ninth Street, Room 150
Sacramento, CA 95814**

Prospective Proposer Warning

*DMH internal processing of U.S. mail may add up to 24 hours to the delivery time. If the proposal is mailed, the proposer should consider using certified, registered or express mail. **Request a return receipt confirming delivery date and time of delivery.** If the proposal is hand-delivered, allow sufficient time to locate parking and allow for sign-in at the Bateson Building Security Desk.*

If the proposal is made under a fictitious name or business title, the actual legal name of proposer shall be provided.

Proposals not submitted under sealed cover and marked as indicated may be rejected.

J. Award and Protest

DMH reserves the right to reject all proposals and not make an award.

Notice of the proposed award shall be posted in the offices of DMH, 1600 9th Street, Room 101, Sacramento, California at least five (5) working days prior to awarding the agreement.

If any proposer, prior to the award of agreement, files a protest with the DMH and DGS on the grounds that the (protesting) proposer would have been awarded the contract had DMH correctly applied the evaluation standard in the RFP, or if DMH had followed the evaluation and scoring methods in the RFP, the agreement shall

not be awarded until either the protest has been withdrawn or DGS has decided the matter. It is suggested that the proposer submit any protest by certified or registered mail to the addresses below:

Department of General Services
Office of Legal Services
707 Third Street, 7th Floor, Suite 7-330
West Sacramento, CA 95605

Department of Mental Health
Contracts Unit
1600 9th Street, Room 150
Sacramento, CA 95814

Within five (5) days after filing the initial protest, the proposer shall file with DGS, Office of Legal Services and DMH, Contracts Unit a detailed statement specifying the grounds for the protest. Use the addresses for the Departments shown above.

Upon resolution of the protest and award of the agreement, proposer must complete and submit to DMH the Payee Data Record (STD 204), to determine if the proposer is subject to state income tax withholding pursuant to California Revenue and Taxation Code Sections 18662 and 26131. This form can be found on the Internet at www.osp.dgs.ca.gov under the heading FORMS MANAGEMENT CENTER. No payment shall be made unless a completed STD 204 has been returned to DMH.

Upon resolution of the protest and award of the agreement, Contractor must sign and submit to DMH *page one (1)* of the Contractor Certification Clauses (CCC), which can be found on the Internet at www.dgs.ca.gov/contracts

K. Disposition of Proposals

Upon proposal opening, all documents submitted in response to this RFP will become the property of the State of California, and will be regarded as public records under the California Public Records Act (Government Code Section 6250 et seq.) and subject to review by the public.

L. Agreement Execution and Performance

Service shall start not later than 30 days, or on the express date set by DMH and the Contractor, after all approvals have been obtained and the agreement is fully executed. Should the Contractor fail to commence work at the agreed upon time, DMH, upon five (5) days written notice to the Contractor, reserves the right to terminate the agreement. In addition, the Contractor shall be liable to DMH for the difference between Contractor's proposal price and the actual cost of performing work by another contractor.

All performance under the agreement shall be completed on or before the termination date of the agreement.

IV. PREFERENCE PROGRAMS

Small Business Preference applies to this RFP. Please see www.pd.dgs.ca.gov. This website provides information and procedures for proposers who wish to apply for the Small Business Preference Program. Please note that although participation in this preference program is optional, **all** proposers must complete and submit Attachment 7, "Small Business Identification Questionnaire." Proposers that are certified as a small business in California are encouraged to apply for this RFP.

EXHIBIT A SCOPE OF WORK

The Scope of Work section is composed of three sections:

- 1. Program Service Requirements***
- 2. Proposer Experience and Capability***
- 3. Letters of Recommendation**

*The responses to the Program Service Requirements and Applicant Experience and Capability sections combined shall not exceed twenty-five (25) pages.

(Scoring for these sections of the proposal is detailed in Section III. H. page 13 of this RFP.)

I. PROGRAM SERVICE REQUIREMENTS

The Program Service Requirements section describes the specific workload needs currently identified for the proposer through June 30, 2007. Additional tasks may arise as workload demands or policy and program changes occur.

The Program Service Requirements section must contain the following for each of the tasks (Items A – F) below:

- *A description of how the proposer would approach the task.*
- *A discussion of barriers to overcome and/or opportunities to maximize.*

PLEASE NOTE: The proposer should provide enough detail in the required descriptions and discussions to assist evaluators to assess the overall breadth and depth of the proposer's understanding of the California public mental health system.

A. Establish/refine/adapt policies for the on-going implementation of federal and state regulations and other program-related changes to the Specialty Mental Health Services Medi-Cal Program, including:

- 1) Provide training for MHPs, DMH staff and other stakeholder groups on: Notices of Action, Practice Guidelines and advance directives and other topics related to recent changes in federal Medicaid managed care regulations.
- 2) Perform research and provide technical assistance on critical content of and potential reimbursement for peer support services.
- 3) Assist DMH staff to develop strategies to maximize federal funding for Medi-Cal mental health services, including investigating the feasibility of planning for and obtaining additional federal waivers.

B. Assist with on-going refinement of the state and local Medi-Cal quality improvement system including:

- 1) Assist State Quality Improvement Council (SQIC) and DMH staff in analyzing data related to performance measures and indicators and recommending appropriate “next steps” to achieve continuous quality improvement.
- 2) Provide technical assistance and consultation to the SQIC Inpatient Treatment Review Work Group, Community Mental Health Services Work Group and any other workgroups established by DMH and the SQIC that relate to quality improvement.
- 3) Make recommendations to DMH regarding the appropriate use of performance measurement indicator data to improve client access and MHP operation.
- 4) Provide technical assistance and consultation in the interpretation and utilization of performance outcome data.

C. Develop policies and procedures in response to litigation and legislation including the following:

- 1) Assist DMH in analyzing changes in Medi-Cal Redesign and determining various alternatives to achieve identified changes.
- 2) Assist DMH in developing an appropriate response to pending litigation regarding Medi-Cal services under the Early Periodic Screening, Diagnosis and Treatment (EPSDT) Program.

- 3) Assist DMH with policy development, evaluation and other activities related to utilization of Therapeutic Behavioral Services (TBS).

D. Develop recommendations for appropriate strategies for public mental health system change including programs and policies related to the California Performance Review (CPR).

E. Develop recommendations for appropriate strategies for public mental health system change including programs and policies related to the Mental Health Services Expansion and Funding Initiative Statute (Proposition 63, November 2004 ballot) if it passes. If the Initiative does not pass, proposer will assist DMH to develop alternative funding strategies to support the provision of public mental health services.

F. Prepare a report to the California Legislature on core reasons that mental health parity in California is not being achieved, barriers to achieving that parity and suggested approaches to effectuate a more comprehensive mental health system in California, both public and private. Mental health parity legislation was enacted in California (AB 88, Chapter 534, Statutes of 1999). The Mental Health Parity Report is due to the Legislature on or before March 1, 2005 in collaboration with the Department of Managed Health Care (DMHC), the Department of Insurance, and other stakeholders. The proposer will prepare the Mental Health Parity report and submit it to DMH for review no later than January 15. The proposer shall include a projected timeline for completion of this Report.

II. PROPOSER EXPERIENCE AND CAPABILITY²

The Proposer Experience and Capability section should clearly describe the proposer's experience with each of the numbered items (1 – 5) below.

PLEASE NOTE: The proposer should provide enough detail to assist evaluators to assess the breadth and depth of the proposer's understanding of the California public mental health system and MHPs.

- 1) The proposer shall have experience working with various California mental health constituency groups such as private and public sector providers, organizations representing clients and families and organizations representing various mental health disciplines. The breadth of experience with various mental health constituency groups will be a factor in scoring this element.
- 2) The proposer shall have experience in the design, implementation, and/or management of a public mental health system that operates utilizing managed care principles. The size of the system, i.e., number of persons served annually, will be a factor in scoring this element.
- 3) The proposer shall have experience managing and/or administering significant system changes in a public mental health system serving persons who would meet California's public mental health system target population criteria.
- 4) The proposer shall demonstrate an understanding of critical issues in financing public mental health systems.
- 5) The proposer shall demonstrate an understanding of national trends and critical issues in public and private mental or behavioral health care, including mental health parity.

² Some of the information requested in this section may overlap with the content of the Minimum Qualifications and Requirements section of this RFP. If the proposal makes a clear reference to the applicable content in the Minimum Qualifications and Requirements section, it is unnecessary to retype the information in this section.

III. LETTERS OF RECOMMENDATION

The proposer shall provide **three** Letters of Recommendation from individuals or organizations located in California with whom they have worked in the public mental health field in the last five years. These Letters of Recommendation must be from individuals and/or organizations **different from** those supplied for reference purposes in Required Attachment 5 of this RFP as part of the Minimum Qualification and Requirements.

RFP Attachment 1
REQUIRED ATTACHMENT CHECK LIST

A complete proposal or proposal package will consist of the items identified below. Complete this checklist to confirm the items in your proposal. Place a check mark or "X" next to each item that you are submitting to the State. For your proposal to be responsive, all required attachments must be returned. This checklist should be returned with your proposal package also.

<u>RFP Attachment</u>	<u>Attachment Name/Description</u>
_____ Attachment 1	Required Attachment Check List
_____ Attachment 2	Proposal/Proposer Certification Sheet
_____ Attachment 3	Proposal Cover Page
_____ Attachment 4	Proposal Content <ul style="list-style-type: none">• Table of Contents• Minimum Qualification and Requirements• Technical Proposal to Complete Scope of Work• Letters of Agreement for Subcontractors/Consultants (if applicable)
_____ Attachment 5	References
_____ Attachment 6	Cost Proposal
_____ Attachment 7	Small Business Identification Questionnaire
_____ Attachment 8	Sample Standard Agreement package including the Contractor Certification Clauses (CCC)**. (The most recent version of the CCC can be found on the Internet at www.ols.dgs.ca.gov/Standard+Language .)

**These documents are not required to be submitted with the proposal package but are required upon award of the contract.

RFP Attachment 2

PROPOSAL/PROPOSER CERTIFICATION SHEET

This Proposal/Proposer Certification Sheet must be signed (original signatures only) and returned along with all the "required attachments" as an entire package. The proposal must be transmitted in a sealed envelope in accordance with RFP instructions.

- A. Place all required attachments behind this certification sheet.
- B. The signature affixed hereon and dated certifies compliance with all the requirements of this proposal document. The signature below authorizes the verification of this certification.

**An Unsigned Proposal/Proposer Certification Sheet
May Be Cause For Rejection**

1. Company Name	2. Telephone Number ()	2a. E-mail Address
3. Address		
Indicate your organization type:		
4. <input type="checkbox"/> Sole Proprietorship	5. <input type="checkbox"/> Partnership	6. <input type="checkbox"/> Corporation
Indicate the applicable employee and/or corporation number:		
7. Federal Employee ID No. (FEIN)	8. California Corporation No.	
9. Indicate applicable license and/or certification information:		
10. Proposer's Name (Print)	11. Title	
12. Signature	13. Date	
14. Are you certified with the Department of General Services, Office of Small Business Certification and Resources (OSBCR) as:		
a. California Small Business Yes <input type="checkbox"/> No <input type="checkbox"/>		
If yes, enter certification number: _____		
b. Disabled Veteran Business Enterprise Yes <input type="checkbox"/> No <input type="checkbox"/>		
If yes, enter your service code below: _____		
NOTE: A copy of your Certification is required to be included if either of the above items is checked "Yes".		
Date application was submitted to OSBCR, if an application is pending: _____		

Completion Instructions for Proposal/Proposer Certification Sheet

Complete the numbered items on the
Proposal/Proposer Certification Sheet by following the instructions below.

Item Numbers	Instructions
1, 2, 2a, 3	Must be completed. These items are self-explanatory.
4	Check if your firm is a sole proprietorship. A sole proprietorship is a form of business in which one person owns all the assets of the business in contrast to a partnership and corporation. The sole proprietor is solely liable for all the debts of the business.
5	Check if your firm is a partnership. A partnership is a voluntary agreement between two or more competent persons to place their money, effects, labor, and skill, or some or all of them in lawful commerce or business, with the understanding that there shall be a proportional sharing of the profits and losses between them. An association of two or more persons to carry on, as co-owners, a business for profit.
6	Check if your firm is a corporation. A corporation is an artificial person or legal entity created by or under the authority of the laws of a state or nation, composed, in some rare instances, of a single person and his successors, being the incumbents of a particular office, but ordinarily consisting of an association of numerous individuals.
7	Enter your federal employee tax identification number.
8	Enter your corporation number assigned by the California Secretary of State's Office. This information is used for checking if a corporation is in good standing and qualified to conduct business in California.
9	Complete, if applicable, by indicating the type of license and/or certification that your firm possesses and that is required for the type of services being procured.
10, 11, 12, 13	Must be completed. These items are self-explanatory.
14	If certified as a California Small Business, place a check in the "yes" box, and enter your certification number on the line. If certified as a Disabled Veterans Business Enterprise, place a check in the "Yes" box and enter your service code on the line. If you are not certified to one or both, place a check in the "No" box. If your certification is pending, enter the date your application was submitted to OSBCR.

RFP Attachment 3

Proposal Cover Page

Name of Bidding Firm (<i>Legal name as it will appear on the contract</i>):	
Mailing Address (<i>Street Address, P.O. Box, City, State, Zip Code</i>):	
Person authorized to act as the contact for this firm in matters regarding this proposal:	
Printed Name (<i>First, Last</i>):	Title:
Telephone Number:	Fax Number:
Person authorized to obligate this firm in matters regarding this proposal or the resulting contract:	
Printed Name (<i>First, Last</i>):	Title:
Telephone Number:	Fax Number:
(Corporations) Name/Title of person authorized by the Board of Directors to sign this bid on behalf of the Board:	
Printed Name (<i>First, Last</i>):	Title:
<div style="display: flex; justify-content: space-between;"><div style="width: 60%;">Signature of Bidder or Authorized Representative</div><div style="width: 35%; text-align: right;">Date</div></div>	

RFP Attachment 4
Proposal Content

- Table of Contents
- Minimum Qualification and Requirements
- Technical Proposal to Complete Scope of Work
- Letters of Agreement for Subcontractors/Consultants (if applicable)

RFP Attachment 5
References

Submission of this attachment is mandatory. Failure to complete and return this attachment with your proposal will cause your proposal to be rejected.

List below three references of similar types of services performed within the last three years. If three references cannot be provided, please explain why on an attached sheet of paper.

REFERENCE 1			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 2			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

REFERENCE 3			
Name of Firm			
Street Address	City	State	Zip Code
Contact Person		Telephone Number	
Dates of Service		Value or Cost of Service	
Brief Description of Service Provided			

RFP Attachment 6

COST PROPOSAL

	<u>2004-2005</u>	<u>2005-2006</u>	<u>2006-2007</u>	<u>TOTAL</u>
Personal Services***	\$_____	\$_____	\$_____	\$_____
Overhead Expenses	\$_____	\$_____	\$_____	\$_____
Travel Expenses	\$_____	\$_____	\$_____	\$_____
TOTAL	\$_____	\$_____	\$_____	\$_____

*****PLEASE NOTE: DMH will pay, using state travel rates, for reasonable travel expenses that proposer incurs to attend meetings in Sacramento and other California locations as part of the work to be accomplished under this RFP. DMH will not pay for the proposer's time while they are traveling.**

Notes to Cost Proposal (Optional):

RFP Attachment 7

Small Business Identification Questionnaire

NOTICE TO ALL BIDDERS

Small Business Preference

Section 14835, et. seq. Of the California Government Code requires that a five percent (5%) preference be given to bidders who qualify as a small business. The rules and regulations of this law, including the definition of a small business for the delivery of services, are contained in Title 2, California Administrative Code, Section 1896, et. seq. A copy of the regulations is available on request. To claim the Small Business Preference, which may not exceed \$50,000 for any bid, your firm must have its principal place of business located in California and be verified by the State Office of Small Business Certification and Resources. Questions regarding the preference approval should be directed to that office at (916) 322-5060 or (916) 323-5478.

Please complete this form and return with your Bid.

Are you claiming preference as a small business?

() YES () NO

Small Business Number _____

Name of CONTRACTOR/Organization

Street Address, City, State, Zip Code

Today's Date

RFP Attachment 8

Sample Standard Agreement package including the Contractor Certification Clauses (CCC).